

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF HARVEY	) APPEAL NO. 07-A-2585
HOFF AND KRISTIN HOFF SINCLAIR from the	) FINAL DECISION
decision of the Board of Equalization of Valley	) AND ORDER
County for tax year 2007.	)

**RESIDENTIAL PROPERTY APPEAL**

THIS MATTER came on for hearing February 13, 2008, in Cascade, Idaho before Presiding Officer Steve Wallace. Board Members Lyle R. Cobbs, David E. Kinghorn and Linda S. Pike participated in this decision. Appellants Harvey Hoff and Kristin Hoff Sinclair appeared at the hearing. Assessor Karen Campbell and Chief Deputy Assessor Deedee Gossi, appeared for Respondent Valley County. This appeal is taken from a decision of the Valley County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. RP003350010040A.

**The issue on appeal is the market value of a residential property.**

**The decision of the Valley County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$1,308,080, and the improvements' valuation is \$297,900, totaling \$1,605,980. Appellants request the land value be reduced to \$300,000, and the improvements' value remain at \$297,900, totaling \$597,900.

Subject property is a .474 acre parcel located on Payette Lake in Valley County. The lot is improved with a residence and detached garage. Payette Lake is a pristine natural lake with a limited number of waterfront sites available. According to Respondent subject property has a good view of the mountains and lake with a level to moderate slope.

Appellants believe the Assessor has set the value of subject based on comparing it to lakefront property instead of "lake view." The lot above subject has a similar view, Appellants

contend, but it is assessed for less. Subject lot is located approximately 365 feet from the high water mark of the lake. Located between the property and the lake is a common area belonging to the homeowner's association. Appellants and other lot owners have private use of this lakefront common area. There is no specific assessment for the common area. According to Respondent, the value of the Association's waterfront property (common area) is reflected in the value of the individual lots in subject's subdivision.

It was noted the Assessor was not aware of an easement on subject or the easement over the common area between subject and the waterfront. The hearing officer encouraged Appellants to furnish the Assessor with recorded information on the easements mentioned in the testimony.

The Assessor's method of appraisal is based on establishing a typical or standard waterfront lot size and adjusting the value for larger or smaller size lots and other variances. The County's Pro Val program assisted in calculating these adjustments to establish the assessed value:

- A -16% was applied to the land for the lot being non standard.
- A -20% was applied to the lot for location to the waterfront access (common area between subject and lake).
- A -10% was applied to the lot for topography.

#### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

All property in Idaho is taxable unless specifically exempted by statute. *See Idaho Code § 63-601*. Subject does not qualify for any of the enumerated exemptions, therefore, it is subject to assessment and taxation at market value.

The market value standard is defined by Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellants referenced the assessed value of the property behind subject. According to Appellants, this property has the same view but a lower assessed value. To compare a property to subject all property characteristics would need to be furnished. Comparing assessments is not a valid form of appraisal; nor are assessed values considered good evidence of market value.

Both parties presented well thought out and developed arguments. However, Appellants brought no sales to support the requested value.

The actual support for the Assessor's value was stronger and furnished in the record. Establishing value for a typical waterfront lot and adjusting for differences, as established by recent sales, is a valid method of appraising property. The sale of Lot 2, near subject, had an adjusted sale price of \$1,528,350. Subject, a smaller lot, is assessed for \$1,308,080. This Board finds a reasonable relationship of sale price and assessed value and will affirm the decision of the Valley County Board of Equalization.

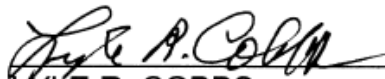
#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the

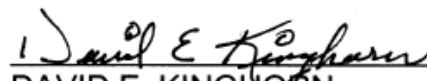
Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

MAILED April 3, 2008

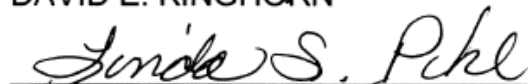
IDAHO BOARD OF TAX APPEALS



LYLE R. COBBS



DAVID E. KINGHORN



LINDA S. PIKE